

OSTER
Researching Services

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October 3, 2008

RECORDATION NO. 27674 FILED

OCT 03 '08 -7 39 AM

Ann Quinlan, Esq.
Acting Secretary
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

SURFACE TRANSPORTATION BOARD

Dear Ms. Quinlan:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Security Agreement dated 9/24/08 involving the following parties and railroad equipment:

Secured Party: Wells Fargo Equipment Finance, Inc.
Investors Building, Suite 700
733 Marquette Avenue So.
Minneapolis, MN 55402

Debtor: Carload Express, Inc.
Post Office Box 127
760 Allegheny River Blvd.
Verona, PA 15147

Equipment: 10, Locomotives
IC 8753, 8729, 8711, 8739, 8744, 8705
LTEX 2678; KCS 617, 627; SP 2674

Please record this agreement as a primary filing. The filing fee of \$41 is enclosed.

Summary: Memorandum of Security Agreement dated 9/24/08 between Wells Fargo Equipment Finance, Inc. as Secured Party and Carload Express, Inc. as Debtor including 10 Locomotives listed above.

Sincerely,



Mary Ann Oster
Research Consultant

Enclosure

RECORDATION NO. 27674 FILED

Wells Fargo Equipment Finance
Investors Building, Suite 700
733 Marquette Ave So
Minneapolis, MN 55402

OCT 03 '08

Memorandum of Security Agreement**SURFACE TRANSPORTATION BOARD**

THIS MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") is made this 24th day of September 24, 2008, by and between Carload Express, Inc., a corporation ("Debtor"), and WELLS FARGO EQUIPMENT FINANCE, INC, a Minnesota Corporation ("Secured Party").

A. The Debtor is indebted to the Secured Party pursuant to that certain Promissory Note dated as of September 24, 2008 (the "Note") executed by the Debtor in favor of the Secured Party.

B. To secure the Debtor's obligations to the Secured Party, the Debtor executed and delivered to the Secured Party a Security Agreement dated September 24, 2008 pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, the following collateral:

(a) Ten (10) Locomotives with the following markings described on Schedule A attached hereto (each, a "Railcar", collectively, the "Railcars") and all replacements and substitutions thereof;

(b) all improvements, additions, modifications, accessions, attachments, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired;

(c) all logs, books and records pertaining to the use, operation and/or maintenance of the Railcars or otherwise relating to any of the collateral described herein;

(d) all rights, claims and causes of action, if any, which the Debtor may have now or in the future against any manufacturer, rebuilder or seller of the Railcars (or any component thereof) or any other Person, by contract or otherwise, in respect of any defect in the Railcars or any part thereof;

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

Wells Fargo Equipment Finance, Inc.

By: [Signature]Its: Sr. Contract Admin

Carload Express, Inc.

By: [Signature]Its: PRESIDENT



Wells Fargo Equipment Finance, Inc.
733 Marquette Avenue, Suite 700
Minneapolis, MN 55402

Schedule A
For Memorandum of Security Agreement

Contract Number 238851-700 dated as of September 24, 2008

Debtor: Carload Express, Inc.

Equipment Description: Ten (10) Locomotives together with all options, attachments and accessories with the following markings:

| Unit Number | Description |
|-------------|---|
| IC 8763 | Locomotive EMD Model No. GP-11, Serial Number: AVR2004 |
| IC 8728 | Locomotive EMD Model No. GP-11, Serial Number: AVR2006 |
| IC 8711 | Locomotive EMD Model No. GP-11, Serial Number: AVR2007 |
| LT EX 2678 | Locomotive EMD Model No. SW-1500, Serial Number: CCRA1503 |
| KCS 617 | Locomotive EMD Model No. SD-40-2, Serial Number: AVR3001 |
| KCS 627 | Locomotive EMD Model No. SD-40-2, Serial Number: AVR3002 |
| SP 2674 | Locomotive EMD Model No. SW-1500, Serial Number: CCRA1502 |
| IC 8739 | Locomotive EMD Model No. GP-11, Serial Number: SWP2001 |
| IC 8744 | Locomotive EMD Model No. GP-11, Serial Number: SWP2002 |
| IC 8703 | Locomotive EMD Model No. GP-11, Serial Number: SWP2003 |

Equipment originally located at: 519 Cedar Way, Building 1, Suite 100, Oakmont, PA 15139

Dated: September 24, 2008

Debtor: Carload Express, Inc.

By:

Title:

PRESIDENT



FROM :

FAX NO. :

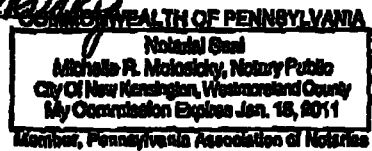
Oct. 03 2008 06:36AM PS

STATE OF Pennsylvania
COUNTY OF Allegheny

On this 24th day of Sept, 2007, before me, a Notary Public of the City and State aforesaid, personally appeared Russell P. Pomeroy, to me personally known, who being by me duly sworn, says that he is the President of Carroll Express Inc., an PA corporation, the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

Michelle R. Molodsky
Notary Public

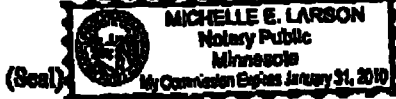


My commission expires:

STATE OF MINNESOTA
COUNTY OF HENNEPIN

On this 2ND day of OCTOBER, 2008, before me a Notary Public of the City and State aforesaid, personally appeared JOE J. MAAS, to me personally known who being by me duly sworn, says that (he/she) is a SA CONTRACT REPRESENTATIVE of WELLS FARGO CREDIT CARD that foregoing instrument is/was signed on behalf of said corporation by authority of its Board of Directors, and (he/she) acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.



Michelle E. Larson
Notary Public

My commission expires: 1/31/2010